

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Colorado River Water Projects Enterprise)
of the Colorado River Water Conservation District)

Project No. 11880-000

THIRD SEMI-ANNUAL PROGRESS REPORT
UNDER ARTICLE 4 OF THE
PRELIMINARY PERMIT
FOR THE PROPOSED
RITSCHARD DAM UNIT WATER POWER PROJECT

Colorado River Water Projects Enterprise
of the Colorado River Water Conservation District
P.O. Box 1120
201 Centennial Street, Suite 200
Glenwood Springs, CO 81602

November 27, 2002

BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

***Third Semi-Annual Progress Report
Under Preliminary Permit***

- (1) The Colorado River Water Conservation District (River District), acting by and through the Colorado River Water Projects Enterprise, submits the following progress report as required under Article 4 of the Director's order of June 25, 2001, issuing the preliminary permit. This progress report is made in order that the permittee may maintain priority for a prospective license for the project under Part I of the Federal Power Act while obtaining the data and performing the acts required to determine the feasibility of the project and to support an application for a license. The report follows the requirements of Part I of the Federal Power Act and related regulations and Articles 1 through 4, set forth in standard form P-1.

- (2) The location of the proposed project is:

State or Territory:	Colorado
County:	Grand
Township or Nearby Town:	Kremmling
Stream or other body of water:	Muddy Creek and Wolford Mountain Reservoir

- (3) The exact name, business address, and telephone number of the permittee are:

Colorado River Water Projects Enterprise
of the Colorado River Water Conservation District
P.O. Box 1120
201 Centennial Street, Suite 200
Glenwood Springs, Colorado 81602

Telephone number 970-945-8522
Fax number 970-945-8799

- (4) Progress report:

On February 6, 2001, the River District filed an application for a three-year preliminary permit under Section 4(f) of the Federal Power Act to study the proposed Ritschard Dam Project No. 11880-000. On June 25, 2001, the Director, Division of Hydropower

Administration and Compliance, issued a preliminary permit for the project (95 FERC ¶ 62,264).

The purpose of the preliminary permit is to maintain priority of application for a license during the term that the permittee conducts investigations and secures data necessary to determine the feasibility of the project and prepares an acceptable development application.

Between December 2001 and May 2002, the permittee undertook a preliminary feasibility study regarding the project. The initial feasibility study, performed under contract by the engineering firm Montgomery Watson Harza, evaluated power generation, identified potential power markets, and provided conceptual engineering alternatives and feasibility level cost estimates. The analyses indicate that a hydroelectric unit at the Ritschard Dam is potentially feasible from engineering and economic perspectives. The report indicates that the optimal rated turbine capacity of the unit would be approximately 870 kilowatts. Based on 42 years of simulated reservoir operation, the average annual power generation would be 3,700,000 kilowatt-hours.

In the last six months the River District has been met with State and Federal agencies to describe and discuss the project. The meetings gave the agencies an opportunity to provide early input to the project's planning. On September 25, 2002, we met with representatives from the Colorado Division of Wildlife, the Colorado Water Conservation Board, and the Colorado Water and Power Resource Development Authority. The State agencies did not identify any significant flaws in the concept of the hydroelectric project.

Also within the last six months, the River District has contacted several utility companies to gather information on prospective power purchase contracts. The companies have shown considerable interest in engaging in further discussions about the project's output. It appears that there is a market for the power either locally or regionally.

Finally, the District is developing an internet web page describing the hydroelectric project. A work in progress, the page will provide information on the permitting process, public meetings, and other general and technical information on the project. The address for the page is <http://www.crwcd.gov/wolford/index.html>.

Over the next six month period, the River District will continue with resource agency consultation and will develop further information necessary to prepare a development application for the project. The primary activities will be to develop a scope for environmental investigations and to begin the license/exemption process.

Please contact our project manager, James F. Pearce, at (970) 945-8522, if you require additional information.

Project No. 11880-000

Respectfully submitted,



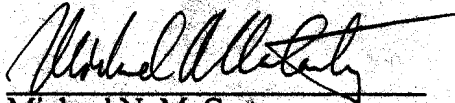
R. Eric Kuhn, General Manager
Colorado River Water Conservation District
P.O. Box 1120
Glenwood Springs, CO 81602

November 27, 2002

CERTIFICATE OF SERVICE

I hereby certify that I have this day caused to be served a copy of the foregoing document on each of the persons designated on the official service list compiled by the Secretary in this proceeding pursuant to Rule 2010 of the Commission's Rules of Practice and Procedure.

Dated at Washington, D.C. this 27th day of November, 2002.



Michael N. McCarty
Special counsel to the permittee